

Year-end report, January – December 2020

Lime Technologies AB (publ)

Fourth quarter

- Net sales MSEK 93.1 (81.8), rendering a sales growth of 14% (19%)
- Organic net sales growth 13% (14%)
- Recurring revenue MSEK 50.5 (44.3)
- The quarter was impacted by one-off items affecting comparison, relating to writing-down of a share option liability for part of the remaining shares in Lime Intenz AB, amounting to MSEK 1.4 (0.0).
- EBITA MSEK 30.6 (19.9), rendering an EBITA margin of 33% (24%)
- Adjusted EBITA margin 31% (24%)
- Operating income, EBIT, MSEK 26.3 (16.3)
- Cash flow from current operations MSEK 46.4 (29.0)
- Net income MSEK 20.1 (12.1)
- Earnings per share SEK 1.52 (0.91) and diluted SEK 1.52 (0.91)

2020 in brief

- Net sales MSEK 338,7 (289.7), rendering a sales growth of 17% (19%)
- Organic net sales growth 14% (16%)
- Recurring revenue MSEK 194.4 (167.2)
- 2020 was impacted by one-off items affecting comparison, amounting to MSEK 1.4 (-0.9). This relates to writing-down of a share option liability for part of the remaining shares in Lime Intenz AB. Comparison attributable to acquisitions and the listing of the company's shares on Nasdaq Stockholm
- EBITA MSEK 100.6 (65.9), rendering an EBITA margin of 30% (23%)
- Adjusted EBITA margin 29% (23%)
- Operating income, EBIT, MSEK 83.2 (52.1)
- Cash flow from current operations MSEK 119.1 (74.2)
- Net income MSEK 62.7 (39.0)
- Earnings per share SEK 4.72 (2.94) and diluted SEK 4.72 (2.94)
- Acquired an additional 35% of the shares in janjoo AB
- The Board proposes the general meeting a dividend of SEK 2.50 (1.50)

CEO's comments

Long-term profitable growth – before, during and after the pandemic

We, at Lime, continuously attempt to seize the opportunities that arises in the pandemic. During the fourth quarter, we have invested in sales and marketing, recruited an additional 25 employees, and we have worked hard on product development. This underpins a continued bright future, which is why we are increasing our financial goals. Furthermore, with the improved profitability in mind, the board of directors propose to increase the dividend to our shareholders.

The trend of a gradually improving business climate, which we witnessed already in the third quarter, continued during the fourth quarter. The fourth quarter showed growth in order intake compared to the same period last year. Despite this, we are somewhat disappointed with the sales to new customers. We believe the lower volumes are a result of paused and prolonged decision-making processes within the customers' organisations, which in turn is a result of the pandemic.

Growth in the fourth quarter was 14% compared to the same period last year and an improvement to the third quarter. As seen in previous quarters, Denmark, Norway, Finland and the Netherlands are more impacted by the lockdowns than Sweden is. Growth in the segment Rest of Europe was 8%, compared to 15% in Sweden.

Full year growth for 2020 was 17% compared with 2019. Based on an analysis made by the research company IDC, the Nordic CRM market was expected to achieve zero growth 2020, implying that Lime grew faster than the market and thus continues to gain market shares.

We have seen a continuation of the profitability improvements that began in the fourth quarter 2019. 2020 Q4 adjusted EBITA margin was 31%, which corresponds to 54% growth compared with the same quarter last year. Adjusted EBITA margin for 2020 was 29%, again a strong improvement compared to 23% in 2019. The company's cash flow continues to improve. Better profitability, strong cash flow and repayment of loans mean our net liability is dropping. Having a strong balance sheet brings many opportunities going forward, allowing us to continue to invest in growth and acquisitions in 2021. The Board of Directors proposes to the Annual General Meeting a dividend for 2020 of SEK 2.50 (an increase from SEK 1.50 last year) per share.

During 2020, a total of about 75 new staff members were recruited of which 25 commenced the trainee program at Lime in January 2021. Due to the pandemic, we have had to hold training digitally to the most recently employed staff members. We, like many other companies, has during the pandemic been forced to think outside the box, and have learned to engage, activate and build relations from a distance. None the less, I am convinced that team building and embracing the corporate culture are better achieved when people actually meet and I look forward to get everyone together as soon as the situation allows.



We, at Lime, continuously attempt to seize the opportunities that arises in the pandemic by investing in sales, marketing, recruitment and product development.

In recent months, we have had discussions with a number of potential acquisitions. We have had to discontinue a few acquisition processes when it became clear that the companies' products did not meet our requirements, however, our search continues.

Following a review of the company's financial goals, it has been resolved by Lime's board of directors to adjust the targets. The previous sales growth target of 15% organic growth has been replaced by an 18% total sales growth target. Organic growth continues to be the most critical growth driver for Lime, but our strategy also includes acquisition-driven growth. A total growth target will better reflect this strategy.

The profitability target has been adjusted from "higher than 23% EBITA margin" to "higher than 25% EBITA margin". As a result of an increased proportion of recurring revenue per employee, we have seen profitability improvements over the last five quarters. We believe strong profitability is a trend that will continue moving forward. By the same token, we want to utilise the profits for growth investments, which is why we do not expect to continue to deliver the high margins seen in 2020.

The capital structure target of 2.5 times net debt to EBITDA, and the dividend policy to distribute 50% or more of the net income remain.

We expect the market to gradually improve in the first half of 2021. It is, however, difficult to assess the developments considering the uncertainties caused by the pandemic. Our medium to long term view remains; i.e., there will be an increase in digitalisation as a result of the behavioural changes caused by the pandemic, for example, less travelling and more working from home. Companies need CRM systems for better structure, collaboration and follow-up of employee activities.

In summary, I am very pleased with the strategy we adopted during the pandemic. We have continued to invest during these uncertain times, we have recruited new employees, we have established our business in new markets, and we have launched more products than ever before, all of which I'm certain will pay off in the long run. Having made these investments, we are looking forward to what 2021 has to bring.

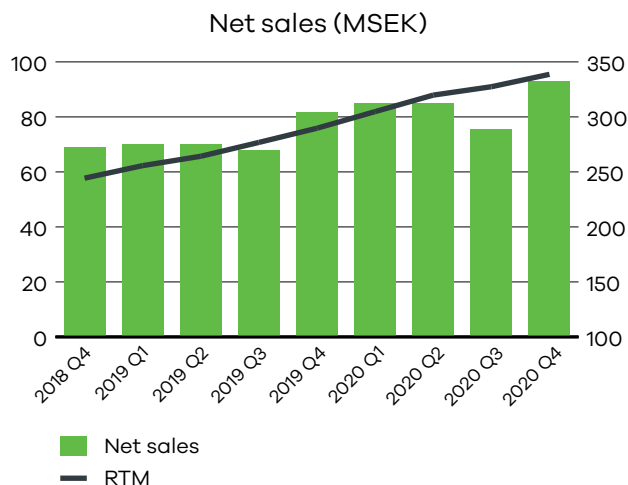
/Erik Syrén, CEO of Lime Technologies

Lime i sammandrag

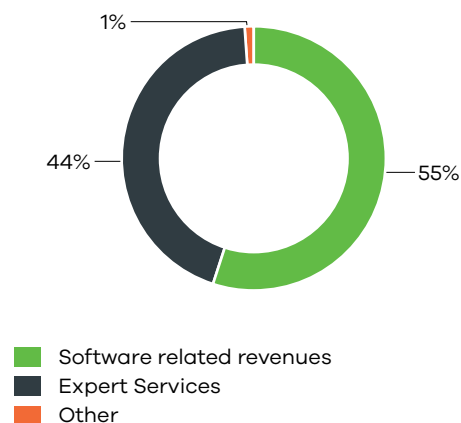
	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2018 Q4
Net sales (MSEK)	93.1	75.6	85.0	85.0	81.8	68.0	70.0	69.9	68.9
Recurring revenue (MSEK)	50.5	48.5	48.5	46.9	44.3	42.5	41.3	39.1	37.1
EBITDA (MSEK)	36.1	29.8	27.0	28.7	24.4	23.7	17.6	17.9	10.0
EBITDA (%)	39%	39%	32%	34%	30%	35%	25%	26%	15%
EBITA (MSEK)	30.6	24.7	21.8	23.5	19.9	19.2	13.3	13.5	8.6
EBITA (%)	33%	33%	26%	28%	24%	28%	19%	19%	12%
Adjusted EBITA	29.3	24.7	21.8	23.5	19.9	19.3	13.8	13.8	15.5
Adjusted EBITA (%)	31%	33%	26%	28%	24%	28%	20%	20%	23%
Operating income, EBIT (MSEK)	26.3	20.4	17.5	19.1	16.3	15.6	10.0	10.2	5.5
Operating income, EBIT (%)	28%	27%	21%	22%	20%	23%	14%	15%	8%
Earnings per share, basic (SEK) ^{*)}	1.52	1.13	1.00	1.07	0.91	0.91	0.56	0.56	0.34
Earnings per share, diluted (SEK) ^{*)}	1.52	1.13	1.00	1.07	0.91	0.91	0.56	0.56	0.32
Cash flow from current operations (MSEK)	46.4	14.2	33.1	25.3	29.0	14.6	21.2	9.4	15.9

*) recalculated to the number of shares following the 1:250 share split in October 2018.

Revenue



Net sales by category, Q4 2020



Net sales in the fourth quarter 2020 amounted to MSEK 93 (82), an increase of 14% (19). The Group's net sales in the quarter include MSEK 1 (3) from companies acquired in the last 12 months.

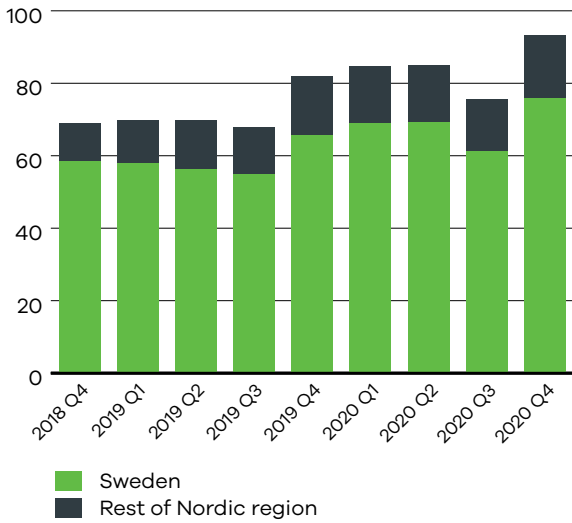
Net sales during 2020 amounted to MSEK 339 (290), rendering an increase of 17% (19).

Business acquisitions during the last 12 months have contributed with net sales of MSEK 4 (6) during 2020.

55% (56) of net sales in the third quarter 2020 relate to software revenue. 58% (61) of net sales in 2020 relate to software revenue.

Software revenue increased by 11% (15) during the fourth quarter 2020 compared to the fourth quarter 2019. Software revenue increased by 13% (19) during 2020 compared to last year.

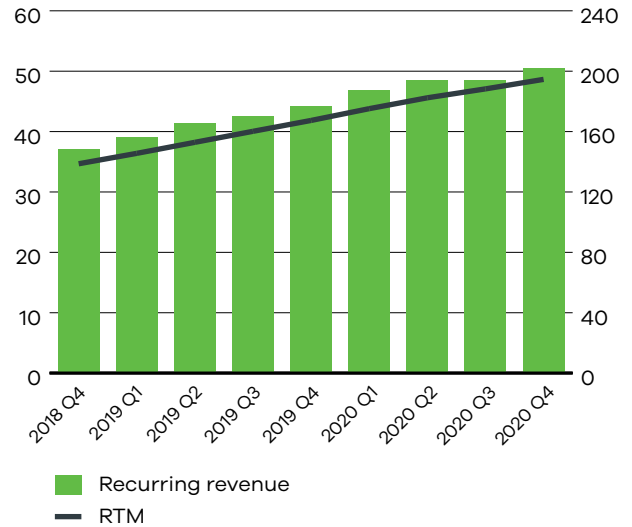
Net sales per segment (MSEK)



Net sales in the fourth quarter 2020 in Sweden amounted to MSEK 76 (66) and MSEK 17 (16) in the rest of the European countries. Net sales growth for the quarter was 15% (12) in Sweden and 8% (53) in the rest of the European countries.

Net sales during 2020 in Sweden amounted to MSEK 275 (235) and MSEK 64 (55) in the rest of the European countries.

Recurring revenue (MSEK)



Recurring revenue amounted to MSEK 51 (44) during the fourth quarter 2020, an increase of 14% (19) compared to the same period last year.

Recurring revenue amounted to MSEK 194 (167) during 2020, in increase of 16% (21) compared to the corresponding period last year,

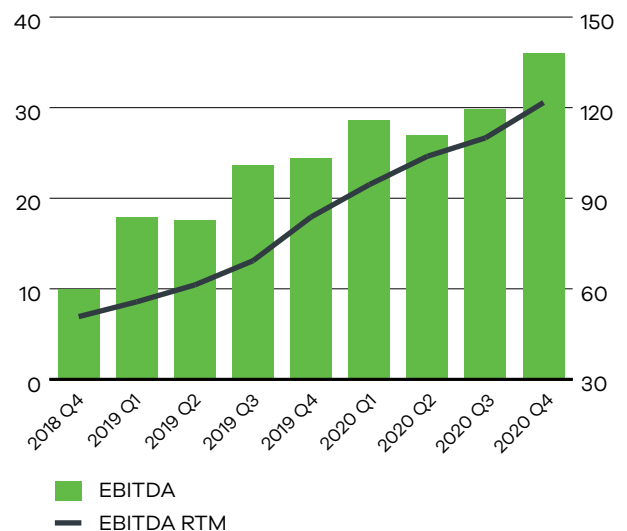
Annual Recurring Revenue (MSEK)



The 12-month recalculated recurring revenue, annual recurring revenue (ARR), at the end of the fourth quarter 2020 was MSEK 206 (181). The 12-month recalculated recurring revenue increased by 14% (19) compared to the corresponding period last year.

Operating income

EBITDA (MSEK)

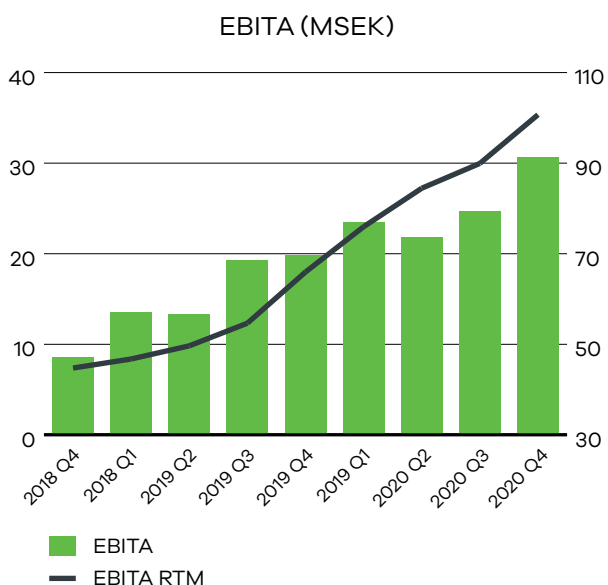


Operating income before depreciations during the fourth quarter – EBITDA – amounted to MSEK 36 (24) corresponding to an EBITDA margin of 39% (30). Adjusted EBITDA was MSEK 35 (24) in the quarter, corresponding to an EBITDA margin of 37% (30).

The many political measures that have been implemented since late March to lessen the spread of the COVID-19 virus have limited business travel and other face-to-face sales activities. These restrictions have led to reduced costs for Lime during 2020.

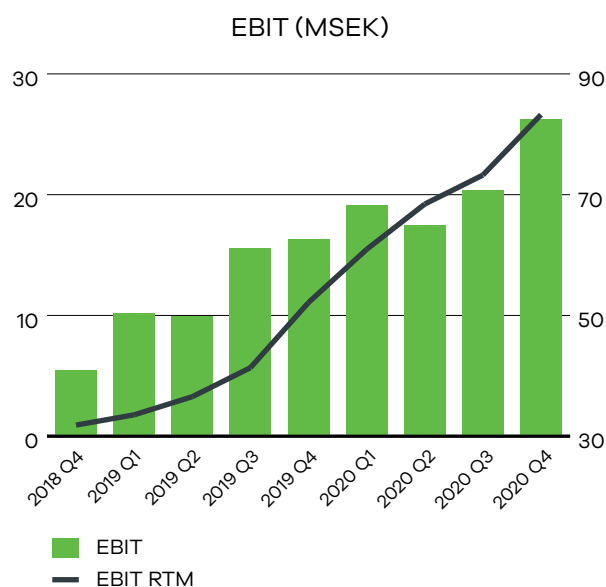
During 2020 operating income before depreciation – EBITDA – amounted to MSEK 122 (84), corresponding to an EBITDA margin of 36% (29). Adjusted EBITDA was MSEK 120 (85) during the same period and the corresponding margin was 35% (29).

As of January 1, 2019, Lime applies IFRS 16 Leases. As from the time the standard came into effect, Lime applies the simplified transition method, meaning comparative information from periods before 1 January 2019 has not been restated.



During the fourth quarter 2020 operating income, excluding amortisation on acquired immaterial assets – EBITA – amounted to MSEK 31 (20), corresponding to an EBITA margin of 33% (24). Adjusted EBITA for the fourth quarter amounted to MSEK 29 (20), corresponding to an adjusted EBITA margin of 31% (24).

During 2020 operating income, excluding amortisation on acquired immaterial assets – EBITA – amounted to MSEK 101 (66), corresponding to an EBITA margin of 30% (23). Adjusted EBITA during 2020 amounted to MSEK 99 (67), corresponding to an EBITA margin of 29% (23).

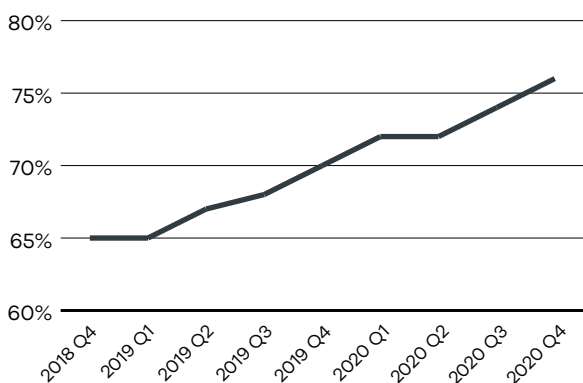


Operating income during the fourth quarter – EBIT – amounted to MSEK 26 (16), corresponding to an EBIT margin of 28% (20). Adjusted EBIT during the fourth quarter amounted to MSEK 25 (16), corresponding to an adjusted EBIT margin of 27% (20).

Operating income during 2020 – EBIT – amounted to MSEK 83 (52), corresponding to an EBIT margin of 25% (18).

Depreciations increased compared to the same period last year as a result of increased investments in capitalised development work done by Lime employees and depreciation of intangible non-current assets relating to business acquisitions.

Recurring Revenue / Operating expenses (%)



Last 12-months (LTM) recurring revenue amounted to 76% (70) of last 12 months total operating expenses at the end of the fourth quarter. The expenses include one-off items affecting comparison.

Other expenses have, during the fourth quarter, been slightly lower than normal as a consequence of restrictions related to the Covid-19 pandemic.

Cash flow & investments

During the fourth quarter 2020 cash flow from current operations amounted to MSEK 46.4 (29.0).

During 2020 cash flow from current operations amounted to MSEK 119.1 (74.2). The cash flow from operations improvement is in large related to the improved profitability during the year.

During the fourth quarter 2020 investments in tangible non-current assets amounted to MSEK 0.0 (0.0), excluding leased vehicles and right-to-use assets. Investments in intangible non-current assets amounted to MSEK 4.7 (4.6) and consist of capitalisation of development costs relating to new technology platforms.

During 2020 investments in tangible non-current assets amounted to MSEK 0.2 (0.3), excluding leased vehicles and right-to-use assets. Investments in intangible non-current assets amounted to MSEK 17.8 (18.5) during the same period.

In addition, assets are reported as software in accordance with the acquisition analysis for janjoo AB. During 2020 investments in subsidiaries (janjoo AB) amounted to MSEK -8.3 (-5.5).

In the fourth quarter 2020, depreciation of capitalised development costs amounted to MSEK 2.6 (1.9) and depreciation of right-to-use assets amounted to MSEK 2.6 (2.3).

Depreciation of capitalised development costs amounted to MSEK 10.3 (7.7) during 2020 and depreciation of right-to-use assets amounted to MSEK 9.5 (9.1).

Equity & liabilities

The Group's equity amounted to MSEK 111 (69).

At the Annual General Meeting on 29 June 2020, it was resolved to distribute dividends of SEK 1.50 per share, corresponding to a total amount of MSEK 19.9. The record date was 1 July and the dividend was paid out on 6 July.

The stock options programs that expired in March 2019 were fully subscribed and a rights issue of MSEK 5.1, involving 783,481 shares, was implemented in March 2019.

The Group's interest-bearing liabilities amounted to MSEK 97.7 (112.2) at the end of the period, including leasing liabilities relating to right-to-use assets of MSEK 22.0 (16.2) and a liability of MSEK 17.1 (8.6) relating to the acquisition of More Intenz AB and janjoo AB. A total of MSEK 10.2 (9.4) of the Group's interest-bearing liabilities have been repaid during the quarter. Cash and cash equivalent amounted to MSEK 64.7 (31.3) at the end of the period. The Group's net debt amounted to MSEK 32.3 (80.3).

The overdraft credit agreement of MSEK 25 expired on 31 December 2020. The overdraft facility was never utilized.

Stock option plans

The company had two stock option programs at the beginning of 2019. Both programs expired in March 2019 and 783,481 shares have been issued under the programs. Further details about the stock option plans can be found in the 2019 annual report.

Lime Technologies AB's share

Lime Technologies AB (publ.) is listed on Nasdaq Stockholm OMX, Mid Cap, the Technology sector.

Total number of shares issued was 13,283,481 at the end of the period. The company does not own any of its own shares. Historical key ratios have been restated to reflect the share split (1:250) implemented in October 2018.

Financial goals

Lime's goal is to achieve annual net sales growth exceeding 18 percent, in the medium long term. Lime further aims to achieve an annual EBITA margin in excess of 25 percent in the medium long term. The objective of the capital structure is that net liabilities, excluding leasing debt, relative to EBITDA shall be less than 2.5. Lime intends to distribute available cash flow after consideration has been given to the Company's indebtedness and future growth opportunities, including acquisitions. The target is to distribute at least 50 percent of the Company's annual net income.

Miscellaneous

Employees

The Group had 280 (250) employees at the end of the reporting period. The average number of employees was 244 (223) during the period.

The Parent Company

The Parent Company's activities are primarily focused on group management and financing. The company has no other employees apart from the Group CEO and CFO at the end of the period. During the fourth quarter 2020 operating income in the Parent Company amounted to MSEK -1.0 (-0.1). Operating income during 2020 amounted to -2.0 (-1.5). Cash and cash equivalent amounted to MSEK 0.7 (0.8) and borrowings to MSEK 56.6 (84.9).

Annual General Meeting 2020

At the Annual General Meeting on June 29, 2020, it was resolved to re-elect the following directors of the board: Peter Larsson, Anders Fransson, Martin Henricson, Malin Ruijsenaars and Marlene Forsell. Martin Henricson was elected chairman of the board.

Other resolutions made at the Annual General Meeting;

- Resolution to distribute dividend of SEK 1.50 per share, corresponding to a total amount of MSEK 19.9. 1 July was the record date for dividend and the payment date was 6 July.
- Resolution to adopt instruction for the nomination committee.
- Resolution to adopt guidelines for remuneration to the company's senior executives.
- It was resolved to authorise the board of directors to, at one or more occasions, until the 2021 Annual General Meeting, resolve to issue shares in exchange for cash payment, with provision for non-payment or set-off or otherwise with conditions, and thereby be able to deviate from the shareholders' preferential rights. The authorisation is limited to a maximum of 10% of the total number of shares in the company at the time of the resolution on authorisation.

Annual General Meeting 2021

The annual general meeting will take place on 27 April at 5: 30 pm. The annual general meeting will most likely be conducted through postal voting without any physical presence. Notice of the annual general meeting will be published no later than four weeks prior to this date, on the company's website and in the Swedish official gazette (*Sw.Post och Inrikes Tidningar*) as well as in *Dagens Industri* (Sweden's leading daily business newspaper).

Dividend proposal

The board of directors proposes a dividend of SEK 2.50 per share, corresponding to MSEK 33 and 53% of net income of the year.

Based on Lime's financial objectives, dividend is expected to correspond to at least 50% of net income.

Nomination committee

Based on guidelines resolved at the Annual General Meeting in June 2020, the following persons have been appointed to be part of Lime's Nomination Committee: Thomas Bill, as chairman, Syringa Capital AB (owned by Erik Syrén) representing 10.1% of the shares, Emil Hjalmarsson, Grenspecialisten AB, representing 10.0% of the shares, Marianne Flink, Swedbank Robur Fonder AB, representing 9.3% of the shares and Martin Henricsson, adjunct to the Nomination Committee, chairman of the board. The Nomination Committee will prepare proposals to the 2021 Annual General Meeting regarding chairman of the meeting, board members, chairman of the board, remuneration to the board members, auditors, auditors' fees, the composition of the Nomination Committee and its duties in preparation for the 2022 Annual General Meeting.

Shareholders wishing to submit proposals to the Nomination Committee can do so via e-mail to valberedning@lime.tech. March 16, 2021 (six weeks prior to the Annual General Meeting on 27 April, 2021) is the last day to submit proposals to the Nomination Committee for consideration at the 2021 Annual General Meeting.

Other events during or after the reporting period

A widespread crisis has arisen due to the COVID-19 pandemic and is affecting economic trends and developments. The severity and extent of the crisis is still difficult to foresee. Lime's new sales has to some extent, since the outbreak of the pandemic, been affected by delayed or defaulted procurements. Furthermore, customer payments have been delayed and reserves for expected customer losses have increased. As a result of our strategy, the impact on result and financial position has been limited in the fourth quarter 2020.

Lime is affected by the political measures that have been taken against the spread of the virus, and the impact this has on economic trends. What is more, new political measures taken in the region can have an impact on Lime.

Lime has implemented a number of safety measures to monitor and prevent the impact of COVID-19, including safety and health precautions for our employees, and actions to secure delivery of our services.

The combination of, on one hand, Lime's focused subscription sales with a high percentage of recurring revenue, and on the other hand, its large customer base, means Lime is fairly well equipped to face a recession.

An agreement was signed with SEB in the second quarter, relating to a bank overdraft of MSEK 25 for the purpose of minimising liquidity risks as a result of the COVID-19 pandemic. The agreement expired on 31 December 2020. No amounts have been drawn down under the overdraft.

Additional shares, corresponding to 35% of the shares in janjoo, were acquired on January 13, 2020.

The second acquisition instalment of Lime Intenz AB consists of options to acquire the remaining 42 percent of the shares spread across three sub-options over the next three years. The acquisition price for each such call

option is based on Lime Intenz AB's net sales for each respective financial year. As a result of the pandemic, Lime Intenz AB did not reach expected net sales in 2020. The liability relating to the first call option – corresponding to 14% of the shares in Lime Intenz – has thus been written off by MSEK 1.4 and reported as Other income.

janjoo AB

On July 1, 2019 Lime acquired 30% of the share capital and the voting rights of janjoo AB. janjoo AB develops and sells e-services, including document management portals and cases portals, which simplify and streamline communications between energy and real estate companies and their customers. The purchase price amounted to MSEK 3 and was financed by cash and through bank loans.

Lime had a significant influence, but not control, in janjoo, meaning it is classified as an associated company. On 31 December 2019, the acquired company was reported as shares in associated companies in accordance with the equity method from the date the acquisition was completed, and significant influence was gained.

The owners of janjoo have issued options entitling Lime to acquire the remaining 70 percent of the shares no later than December 31, 2021.

janjoo AB has shown strong progress which strengthens our confidence that their products will boost our offerings to both new and existing customers. Therefore, Lime exercised the option to acquire an additional 35% of the shares. The purchase price amounted to MSEK 7 and the acquisition was completed on January 13, 2020. 100% of the acquired company is included in Lime's consolidated income statement and balance sheet from the date the acquisition was completed and control was gained, i.e. 13 January 2020.

The pricing and terms for the remaining 35%-option is such that Lime believes this option is highly likely to be exercised when due, hence an estimated exercise price has been reported as a liability in the Group as of January 13, 2020. The acquisition has resulted in capital gains of MSEK 0.5 in the first quarter 2020.

The acquisition generates a goodwill value before deferred taxes of MSEK 24 for the Group. The goodwill value is entirely allocated to software.

Acquisition costs in 2019 amounted to MSEK 0.2.

The acquisition analysis is based on final assessments of identifiable intangible assets. The exercise price, which has been reported as a liability, is based on future annual recurring revenue and can thus not be firmly determined. The acquisition analysis is therefore deemed to be tentative in relation to this liability. Following the analysis, the acquisition price and acquired net assets amount to:

Purchase price	MSEK
Cash and cash equivalent, 30%	3
Cash and cash equivalent, 35%	7
Effect on profit	0
Liability exercise price	9
Total preliminary purchase price	20
Assets and liabilities included following the acquisition	
<i>Intangible non-current assets</i>	
Software	25
Deferred tax liability	-5
Trade receivables and other re-ceiveds	1
Cash and cash equivalent	2
Long-term debt	0
Trade payables and other liabilities	-2
Total identifiable net assets	20
Acquired net assets	20

The company in brief

Nordic CRM experts

Lime is one of the leading SaaS CRM players on the Nordic market. The company develops, sells, and implements user-friendly and flexible CRM systems. Lime's business model is based on the offering of subscription agreements (Software as a Service or "SaaS") as well as consultant services (Expert Services) for the implementation and continuous customisation of products in line with customers' demands and requests.

Lime has a comprehensive organisation for development and holistic offerings that facilitate effective and value-add CRM solutions for the customer. The head office is located in Lund. At the end of December 2020, the Group had 280 employees in eight offices in Sweden, Norway, Denmark, Finland and the Netherlands.

Mission & vision

Lime's mission is to "create customer magnets" that retain existing customers and attract new customers by having excellent customer care.

The company's vision is to "become the leading supplier of CRM systems in the Nordic region, by supplying systems that make the customers' work both easier and more fun".

Strategies

Continued structured market growth

Lime's main focus is on organic growth. A market report by Capgemini in May 2018, indicates a 12% average annual growth in the Nordic software market for CRM systems in 2017 – 2023.

Geographic expansion

Lime intends to continue to strengthen its presence in current Nordic markets to meet the demand for CRM systems.

The setting up of business operations in the Netherlands is proceeding according to plan.

Focus on identified verticals

Lime focuses on customised CRM solutions to four selected market verticals: energy, real estate, wholesale, and consulting companies, to which Lime offers local industry-specific expertise. Combined with pre-packaged solutions for each vertical, this gives customers benefits in terms of flexible solutions, as well as time and cost savings.

Increased sales to existing customer base

Lime intends to maintain and increase sales to existing customers by actively offering add-on products and related expert services post-implementation. The company also has a dedicated customer success team that works actively to stay close to the customer in the long run, ensuring that customers stay with Lime, and to sell additional products and services.

Continuous development of product platforms

Lime believes it is important to continue developing its product portfolio to strengthen its competitiveness and to attract new customers. With its strong market position, broad customer base and close contact with customers, Lime has a strong starting position for cross sales and add-on sales of new services and features aimed at increasing sales growth and broadening the use of services and solutions.

Selective acquisition strategy

A critical component of Lime's strategy is to be active in assessing strategic acquisitions with the aim of strengthening the product portfolio, growing competencies and resources in the company, growing from a geographic perspective, and broadening the customer base.

Forward-looking information

This report may contain forward-looking information based on management's current expectations.

Although management believes the expectations expressed in such forward-looking information are reasonable, there are no assurances that these expectations will be correct.

Consequently, future outcomes may vary considerably compared to the forward-looking information due to, among other things, changed market conditions for Lime's products and more general changes to economic, market and competitive conditions, changes to regulatory requirements or other policy measures and exchange rate fluctuations.

Upcoming reporting dates

- Annual report 2020, presented March 25, 2021
- Interim report Q1, 2021, presented April 27, 2021
- Annual General Meeting, April 27, 2021
- Interim report Q2, 2021, presented July 16, 2021
- Interim report Q3, 2021, presented October 21, 2021

Lund, February 16, 2021

Erik Syrén

CEO Lime Technologies AB (publ)

Additional information can be obtained from:

CEO Erik Syrén, phone +46 46 270 48 23 or

CFO Magnus Hansson, phone +46 46 270 48 85

This report has not been subject to review by the company's auditor.

This information constituted insider information prior to publication. This is information that Lime Technologies AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The report has been published in both English and Swedish.

This is a translation of the Swedish interim report. Should there be any disparities between the Swedish and the English version, the Swedish version shall prevail.

Key ratios for the Group

	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Net sales (MSEK)	93.1	81.8	338.7	289.7
Net sales growth (%)	14%	19%	17%	19%
Organic net sales growth (%)	13%	14%	14%	16%
Recurring revenue (MSEK)	50.5	44.3	194.4	167.2
Annual recurring revenue (MSEK)	206.2	180.6	206.2	180.6
EBITA (MSEK)	30.6	19.9	100.6	65.9
EBITA (%)	33%	24%	30%	23%
EBITDA (MSEK)	36.1	24.4	121.6	83.7
EBITDA (%)	39%	30%	36%	29%
Operating income, EBIT (MSEK)	26.3	16.3	83.2	52.1
Operating income, EBIT (%)	28%	20%	25%	18%
One-off items (MSEK)	1.4	0.0	1.4	-0.9
Depreciation right-to-use assets (MSEK)	-2.6	-2.3	-9.5	-9.1
Adjusted EBITA (MSEK)	29.3	19.9	99.3	66.8
Adjusted EBITA (%)	31%	24%	29%	23%
Adjusted EBITDA (MSEK)	34.7	24.4	120.2	84.6
Adjusted EBITDA (%)	37%	30%	35%	29%
Adjusted EBIT (MSEK)	24.9	16.3	81.8	53.0
Adjusted EBIT (%)	27%	20%	24%	18%
Earnings per share (SEK)	1.52	0.91	4.72	2.94
Earnings per share, diluted (SEK)	1.52	0.91	4.72	2.94
Net debt (MSEK)	32.3	80.3	32.3	80.3
Number of employees (average)	244	223	244	223
Net sales per employee (MSEK)	1.4	1.3	1.4	1.3
Cash flow from current operations per share (SEK)	3.5	2.2	9.0	5.6
Average number of outstanding shares (thousands)	13,283.5	13,283.5	13,283.5	13,283.5

For definition of key ratios, see pages 26-29.

Consolidated income statement in summary (TSEK)

	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Net sales	93,059	81,786	338,689	289,696
Other revenue	1,475	313	1,758	576
Gross income	94,534	82,099	340,447	290,272
<i>Operating expenses</i>				
Compensation to employees	-48,684	-46,523	-184,671	-169,935
Capitalised development work done by own employees	4,743	4,562	17,794	18,451
Depreciation	-9,792	-8,182	-38,359	-31,606
Other expenses	-14,526	-15,566	-52,558	-54,882
Share in earnings of associated companies	0	-139	547	-247
Total operating expenses	-68,259	-65,848	-257,247	-238,219
Operating income	26,275	16,251	83,200	52,053
Financial net	-517	-357	-3,195	-2,188
Income after financial net	25,758	15,894	80,005	49,865
Taxes	-5,613	-3,815	-17,294	-10,825
Net income	20,145	12,079	62,711	39,040
Net income attributed to:				
Shareholders of the Parent Company	20,145	12,079	62,711	39,040
	20,145	12,079	62,711	39,040
Other Information				
Earnings per share, basic (SEK)	1.52	0.91	4.72	2.94
Earnings per share, diluted (SEK)	1.52	0.91	4.72	2.94

Consolidated statement of other comprehensive income (TSEK)

	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Net income	20,145	12,079	62,711	39,040
Other comprehensive income				
Items that may be reclassified to the income statement:				
Translation adjustments	-147	-243	-574	98
Other comprehensive income for the period	-147	-243	-574	98
Other comprehensive income for the period	19,998	11,836	62,138	39,138
Other comprehensive income for the period, attributed to:				
Shareholders of the Parent Company	19,998	11,836	62,138	39,138
	19,998	11,836	62,138	39,138

Consolidated balance sheet in summary (TSEK)

	2020-12-31	2019-12-31
ASSETS		
Goodwill	69,763	69,763
Other non-tangible non-current assets	146,661	132,191
Right-to-use assets	21,970	16,189
Tangible non-current assets	2,305	3,161
Associated company	0	2,705
Other financial non-current assets	706	537
Deferred tax asset	58	58
Total non-current assets	241,463	224,604
Trade receivables	51,604	52,763
Other current receivables	6,622	4,858
Cash and cash equivalent	64,662	31,342
Total current assets	122,888	88,963
Total assets	364,351	313,567
EQUITY AND LIABILITIES		
Total equity	110,840	68,627
Liabilities		
Non-current liabilities		
Interest-bearing non-current liabilities	28,524	56,617
Non-current leasing liabilities	14,240	9,232
Other non-current liabilities	15,183	8,642
Deferred tax liabilities	27,959	24,964
Total non-current liabilities	85,906	99,455
Current liabilities		
Interest-bearing current liabilities	30,404	28,240
Current leasing liabilities	9,319	9,448
Trade payables	2,777	3,591
Other current liabilities	125,105	104,206
Total current liabilities	167,605	145,485
Total equity and liabilities	364,351	313,567

Consolidated statement of changes in equity (TSEK)

	Attributable to the Parent Company's shareholders				
	Share capital	Additional paid-in capital	Reserves	Retained earnings	Total equity
Opening balance January 1, 2019 according to adopted balance sheet	500	53,034	265	-16,124	37,675
Net income for the period				39,040	39,040
Other comprehensive income for the year			98		98
Total other comprehensive income	0	0	98	39,040	39,138
Transactions with owners					
Bonus issue	31	5,066			5,097
Dividend				-13,283	-13,283
Total transactions with owners	31	5,066	0	-13,283	-8,186
Closing balance December 31, 2019	531	58,100	363	9,633	68,627
Opening balance January 1, 2020 according to adopted balance sheet					
Opening balance January 1, 2020 according to adopted balance sheet	531	58,100	363	9,633	68,627
Net income for the period				62,711	62,711
Other comprehensive income for the year			-574		-574
Total other comprehensive income	0	0	-574	62,711	62,138
Transactions with owners					
Dividend				-19,925	-19,925
Total transactions with owners	0	0	0	-19,925	-19,925
Closing balance December 31, 2020	531	58,100	-210	52,419	110,840

Consolidated cash flow analysis (TSEK)

	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Cash flow from current operations				
Cash flow from operations	34,695	24,491	119,938	83,827
Changes in net working capital	12,065	4,944	15,758	5,467
Interest paid	-95	-336	-2,619	-2,710
Taxes paid	-227	-79	-13,987	-12,416
Cash flow from current operations	46,438	29,020	119,090	74,168
Cash flow from investing activities				
Investment in intangible non-current assets	-4,743	-4,562	-17,794	-18,451
Investment in tangible non-current assets	-24	0	-185	-300
Sales of tangible non-current assets	0	118	525	207
Acquisition of group companies	0	-5,192	-8,338	-5,504
Acquisition of associated companies	0	0	0	-2,952
Investment in financial non-current assets	11	-14	-168	-29
Interest received	36	27	98	99
Cash flow from investing activities	-4,720	-9,623	-25,862	-26,930
Cash flow from financing activities				
Dividend	0	0	-19,925	-13,283
Share issue	0	0	0	5,096
Proceeds from borrowings	86	40	299	8,040
Amortisation of borrowings	-10,240	-9,397	-39,292	-37,217
Cash flow from financing activities	-10,154	-9,357	-58,918	-37,364
Net cash flow	31,564	10,040	34,310	9,873
Net change in cash flow				
Cash and cash equivalent, beginning of the period	33,517	21,659	31,342	21,152
Exchange rate changes on cash	-419	-356	-990	317
Cash and cash equivalent, end of period	64,662	31,342	64,662	31,342

Parent company income statement in summary (TSEK)

	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Net sales	0	0	0	0
Other income	1,450	2,395	5,577	7,050
Gross income	1,450	2,395	5,577	7,050
<i>Operating expenses</i>				
Compensation to employees	-1,930	-2,501	-6,635	-6,714
Other expenses	-488	-22	-931	-1,816
Total operating expenses	-2,418	-2,523	-7,566	-8,530
Operating income	-967	-129	-1,988	-1,480
Financial income	148	76	518	135
Financial expenses	-657	-511	-2,410	-2,688
Income after financial items	-1,476	-564	-3,880	-4,033
Transfers to / from untaxed reserves	85,000	43,500	85,000	43,500
Taxes	-17,899	-9,188	-17,389	-8,474
Net income for the period	65,625	33,748	63,731	30,993

Parent company statement of other comprehensive income (TSEK)

	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Net income	65,625	33,748	63,731	30,993
Other comprehensive income				
Items that may be reclassified to the income statement:				
Translation adjustments	0	0	0	0
Other comprehensive income for the period, net of tax	0	0	0	0
Other comprehensive income for the period	65,625	33,748	63,731	30,993
Other comprehensive income for the period, attributed to:				
The shareholders of the Parent Company	65,625	33,748	63,731	30,993
	65,625	33,748	63,731	30,993

Parent company balance sheet in summary (TSEK)

	2020-12-31	2019-12-31
ASSETS		
Shares in subsidiaries	133,360	133,360
Total non-current assets	133,360	133,360
Prepaid expenses and accrued revenue	131	158
Current receivables group companies	29,609	2,123
Other current assets	58	79
Cash and cash equivalent	717	782
Total current assets	30,515	3,142
Total assets	163,875	136,502
EQUITY AND LIABILITIES		
<i>Restricted equity</i>		
Share capital	531	531
<i>Non-restricted equity</i>		
Share premium reserve	5,065	5,065
Retained earnings	14,836	3,769
Net income for the period	63,731	30,993
Total equity	84,163	40,358
Liabilities		
Interest-bearing non-current liabilities	28,286	56,617
Interest-bearing debt group companies	28,286	56,617
Total non-current liabilities		
Current interest-bearing liabilities	28,286	28,240
Account payables	179	16
Current tax liabilities	13,660	7,072
Current liabilities group companies	6,303	1,445
Other current liabilities	547	1,366
Accrued expenses and deferred income	2,451	1,388
Total current liabilities	51,426	39,527
Total equity and liabilities	163,875	136,502

Notes

1. Accounting principles

Lime prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. New accounting principles that came into effect on January 1, 2020 have not had any significant impact on the Group's reporting as of December 31, 2020. The Group applies the same accounting principles as in the 2019 annual report.

Other principles and applications

The Group applies the same accounting principles and valuation methods as in the latest annual report. The Parent Company prepares its financial statements according to RFR 2, Accounting for Legal Entities, as well as the Swedish Annual Reports Act, and applies the same accounting principles and valuation methods as in the most recent annual report. Lime applies ESMA's guidelines for alternative performance measures (measurements not defined by IFRS). For definitions, see page 26-29.

Critical accounting estimates and judgements

Intangible assets that have an indefinite useful life or intangible assets that are not ready for use are not subject to depreciation but are tested annually for any impairment loss. The impairment test carried out at year-end showed that there was no impairment loss.

Capitalised development work by own employees

Operating expenses relating to development of own software have been reduced by MSEK 4.7 (4.6) during the fourth quarter 2020.

Operating expenses relating to development of own software have been reduced by MSEK 17.8 (18.5) during 2020.

Segments

Operations in the Netherlands have been, from its commencement, included in the segment Rest of Europe (formerly Rest of Nordic Countries). The Rest of Europe is currently made up of operations in Denmark, Finland, the Netherlands and Norway.

2. Risks and uncertainties

The Lime Group is, through its operations, exposed to common business and financial risks. These risks are described in detail in the 2019 annual report.

Covid-19

As mentioned under the section entitled "Other events during or after the reporting period", the outbreak of the COVID-19 pandemic, and the measures taken by various governments to stem the spread of the virus, will affect our business. In addition to the already known effects, macroeconomic uncertainties cause decline in economic trends and it is not currently possible to say what the long-term effects will be, although the possibility of negative consequences cannot be excluded.

The most critical risks arising from the current uncertain COVID-19 situation are:

Revenue: The macroeconomic uncertainties may lead to delays in customers' procurements, to prolonged sales processes towards new customers, and to existing customers terminating their contracts. Lime has implemented a number of measures to counteract the aforementioned, including intensified sales activities. Furthermore, the political measures implemented by various governments restrict our ability to perform certain services. Lime has implemented actions to partly offset such restrictions, including running training and workshops online.

Profitability: We see an increased risk of doubtful customer accounts as a consequence of COVID-19. Lime's risk exposure to customer accounts is limited due to low customer concentration. Actions have been implemented to ensure fast and effective monitoring of receivables. Actions are also taken to limit expenditures deemed non-business critical in the short term. Management is continuously assessing the need for and the possibility of adjusting the cost base.

Funding and liquidity: Management is closely monitoring the group's cash flow projections and reserves, to ensure there are sufficient cash available to meet the needs of current operations. Cash flow has been in line with management's expectations in the third quarter.

A bank overdraft of MSEK 25 was negotiated and secured during the second quarter for the purpose of minimising liquidity risks as a result of the COVID-19 pandemic. The overdraft expired 2020-12-31. No amounts have been drawn down under the overdraft.

3. Currency translations

Assets and liabilities in foreign exchange are translated at the closing rate on the date of the balance sheet. Transaction differences related to translation of operational assets and liabilities are recognised as Other revenue or Other expenses.

Transaction differences relating to other balance sheet items in foreign currency, such as cash and cash equivalent, are recognised under Financial net. Net sales and operating expenses are also impacted by transaction differences in foreign exchange. These transaction differences are recognised under respective revenue and expense item.

Net sales for the quarter consists of 82% SEK, 8% EUR, and 10% other currencies. Operating expenses are made up of 88% SEK, 5% EUR, and 7% other currencies.

4. Acquisitions

The acquisition of Janjoo AB AB in January 2020 has generated non-current intangible assets in the Group amounting to MSEK 24 before tax, whereof MSEK 24 is allocated to software. Estimated yearly depreciations of acquired software amount to MSEK 2.9. Depreciation of acquired software of MSEK 0.7 is included in the fourth quarter results and MSEK 2.9 during 2020. For more information, see page 10.

The acquisition of Janjoo AB had a cash flow effect of MSEK -8.3 during the first quarter 2020.

5. Transactions with related parties

Any transactions with related parties have been conducted on market terms.

6. Taxes

Tax expenses in the fourth quarter 2020 amounted to MSEK 5.6 (3.8). Tax expenses during 2020 amounted to MSEK 17.3 (10.8). The tax expense has been estimated based on the current tax situation in the Group and the earnings trends in the subsidiaries.

9-quarter summary

Sales per segment, TSEK	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Sweden	75,694	61,120	69,205	68,942	65,724	54,838	56,241	57,788	58,427
Rest of Nordic region	17,365	14,483	15,832	16,048	16,062	13,144	13,789	12,111	10,490
Income statement in summary, TSEK									
Net sales	93,059	75,603	85,037	84,990	81,786	67,982	70,030	69,899	68,917
EBITDA	36,067	29,802	27,013	28,677	24,433	23,702	17,625	17,900	10,006
EBITA	30,624	24,704	21,810	23,496	19,870	19,246	13,250	13,525	8,588
EBIT	26,275	20,355	17,462	19,108	16,251	15,628	9,950	10,225	5,464
Operating margin	28%	27%	21%	22%	20%	23%	14%	15%	8%
Income before tax	25,758	19,417	16,912	17,918	15,894	15,321	9,313	9,338	5,290

Revenue from customer contracts (TSEK)

Revenue by income stream, TSEK	Q4 2020			Q4 2019		
	Sweden	Rest of Europe	Total	Sweden	Rest of Europe	Total
Subscription revenue	31,796	8,062	39,858	25,939	7,294	33,233
Licence revenue	691	196	887	1,822	79	1,901
Support agreements	9,573	1,103	10,676	9,807	1,213	11,020
Expert Services	32,774	8,000	40,774	27,371	7,422	34,793
Other	860	4	864	785	54	839
Net sales	75,694	17,365	93,059	65,724	16,062	81,786

Revenue by income stream, TSEK	Q1 - Q4 2020			Q1 - Q4 2019		
	Sweden	Rest of Europe	Total	Sweden	Rest of Europe	Total
Subscription revenue	119,518	31,476	150,994	97,097	25,523	122,620
Licence revenue	2,746	337	3,082	7,638	560	8,199
Support agreements	38,855	4,542	43,396	39,474	5,091	44,565
Expert Services	111,416	27,036	138,451	86,766	23,742	110,508
Other	2,427	339	2,766	3,615	189	3,804
Net sales	274,961	63,728	338,689	234,591	55,105	289,696

Sales per quarter

Sales, TSEK	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Expert Services	40,774	26,213	34,839	36,625	34,793	23,603	25,230	26,882	28,058
Software related revenue	51,421	48,959	49,713	47,380	46,155	43,731	43,887	41,612	39,986
Other	864	431	485	985	838	649	913	1,404	874
Sales, TSEK	93,059	75,603	85,037	84,990	81,786	67,982	70,030	69,899	68,918
Whereof recurring revenue	50,534	48,468	48,520	46,868	44,253	42,545	41,335	39,052	37,115
Whereof recurring revenue (%)	54%	64%	57%	55%	54%	63%	59%	56%	54%
Growth net sales (%)	14%	11%	21%	22%	19%	23%	14%	19%	20%
Growth recurring revenue (%)	14%	14%	17%	20%	19%	21%	21%	22%	21%

*) Software related revenue refers to subscription revenue, licence revenue and support agreements

Key ratios

The Group's key ratios are presented below. Some of these are defined in accordance with IFRS. Alternative performance measures (APM) have been identified that are believed to enhance investors' and Group management's evaluation of the company's performance as well as relevant trends. The APMs presented in this report may differ from similarly titled measures used by other companies. The APMs should therefore be seen as a supplement to the key ratios defined by IFRS.

Annual Recurring Revenue

The recurring revenue, in the last month of the quarter, recalculated to a 12-month period. The measure indicates the value of recurring revenue during the coming 12 months based on revenue from existing customers at the end of the period. The measure is also important for industry comparisons.

TSEK	Q4 2020	Q4 2019
Recurring revenue (quarter)	50,534	44,253
Annual recurring revenue - ARR	206,210	180,564

Number of shares outstanding

The number of registered shares less any repurchased shares at the balance sheet date. The measure is mainly used for calculation of key ratios; see below. The Group did not own any of its own shares during any of the reporting periods. The key ratios have, when applicable, been restated based on the share split (1:250) in October 2018.

EBITA

Operating income before depreciation of acquired intangible non-current assets. The purpose is to assess the Group's operational activities. EBITA is a supplement to operating income as it is an indication of cash flow from operations.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Operating income	26,275	16,251	83,200	52,053
Depreciation of acquired intangible non-current assets	4,349	3,619	17,434	13,838
EBITA	30,624	19,870	100,634	65,891
Net sales	93,059	81,786	338,689	289,696
EBITA (%)	33%	24%	30%	23%

EBITDA

Operating income before depreciation on tangible and intangible non-current assets. The purpose is to assess the Group's operational activities. EBITDA is a supplement to operating income.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Operating income	26,275	16,251	83,200	52,053
Depreciation	9,792	8,182	38,359	31,606
EBITDA	36,067	24,433	121,559	83,659
Net sales	93,059	81,786	338,689	289,696
EBITDA (%)	39%	30%	36%	29%

Financial assets

Non-current and current financial assets, and cash and cash equivalent. The financial assets measure is used for the application of IFRS 9. The measure is used to calculate net liabilities.

TSEK	2020-12-31	2019-12-31
Other financial non-current assets	706	537
Cash and cash equivalent	64,662	31,342
Financial assets	65,368	31,879

Adjusted EBIT

Operating income according to the income statement before one-off items. The measure is a supplement to operating income adjusted for one-off items affecting comparison. The purpose is to show the operating income excluding items that affect comparison with other periods.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
EBIT	26,275	16,251	83,200	52,053
One-off items	-1,372	0	-1,372	917
Adjusted EBIT	24,903	16,251	81,828	52,970
Net sales	93,059	81,786	338,689	289,696
Adjusted EBIT (%)	27%	20%	24%	18%

Adjusted EBITA

Adjusted EBITA shows EBITA adjusted for one-off items affecting comparison. The purpose is to show EBITA excluding items that affect comparison with other periods.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
EBITA	30,624	19,870	100,634	65,891
One-off items	-1,372	0	-1,372	917
Adjusted EBITA	29,252	19,870	99,262	66,808
Net sales	93,059	81,786	338,689	289,696
Adjusted EBITA (%)	31%	24%	29%	23%

Adjusted EBITDA

Adjusted EBITDA shows EBITDA adjusted for one-off items affecting comparison. The purpose is to show EBITDA excluding items that affect comparison with other periods.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
EBITDA	36,067	24,433	121,559	83,659
One-off items	-1,372	0	-1,372	917
Adjusted EBITDA	34,695	24,433	120,187	84,576
Net sales	93,059	81,786	338,689	289,696
Adjusted EBITDA (%)	37%	30%	35%	29%

One-off items affecting comparison

Refers to items that are reported separately as they are of a significant nature and affect comparison and are considered foreign to the Group's ordinary core operations. Examples are acquisition-related expenses, expenses relating to public listing of shares, and restructuring costs.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Expenses related to public listing of the Company's shares	0	0	0	-293
Acquisition related expenses	0	0	0	-624
Write-down of share option liability	1,372	0	1,372	0
One-off items that distort comparisons	1,372	0	1,372	-917

Cash flow from current operations per share

Cash flow from current operations divided by the average number of shares outstanding. Allows readers of financial reports to compare cash flow from current operations per share. The number of shares has been restated following the 1:250 share split in October 2018.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Cash flow from current operations	46,438	29,020	119,090	74,168
Number of share (thousands)	13,283	13,283	13,283	13,283
Cash flow from current operations per share (SEK)	3.50	2.18	8.97	5.58

Growth in net sales

The measure shows %-growth in net sales compared to the same period during previous year. The measure is a key ratio for a company within a growth industry.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Net sales, the period	93,059	81,786	338,689	289,696
Net sales, same period previous year	81,786	68,917	289,696	244,307
Growth in net sales	14%	19%	17%	19%

Net liabilities

Interest-bearing non-current and current liabilities less financial assets. The purpose is to show the real level of debt.

TSEK	2020-12-31	2019-12-31
Interest-bearing non-current liabilities	28,524	56,617
Non-current leasing liabilities	14,240	9,232
Other non-current liabilities	15,183	8,642
Interest-bearing current liabilities	30,404	28,240
Current leasing liabilities	9,319	9,448
Financial assets	-65,368	-31,879
Net liabilities	32,302	80,300

Average number of employees

The average number of employees means the number of employees during the last 12-month period in relation to normal yearly working hours. The measure indicates how well one of the Group's key processes – recruitment and development of staff – develops over time.

Net sales per employee

Shows trailing 12-month net sales in relation to average number of employees during the last 12 months. The measure is a key ratio for industry comparisons.

TSEK	Q1 2020 - Q4 2020	Q1 2019 - Q4 2019
Trailing 12-month net sales	338,689	289,696
Number of employees	244	223
Net sales per employee	1,388	1,297

Organic growth in net sales

The measure shows growth in net sales adjusted for acquisitions during the last 12 months. Acquired businesses are included in organic growth once they have been part of the Lime Group for four quarters. The measure is used to analyse underlying net sales growth.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Net sales, period	93,059	81,786	338,689	289,696
Acquired net sales, last 12 months	-910	-3,417	-15,320	-7,919
Organic net sales	92,149	78,369	323,369	281,777
Organic net sales, same period last year	78,369	68,477	281,777	234,907
Adjusted for acquired net sales last 24 months	3,417	440	2,046	8,230
Comparable organic net sales	81,786	68,917	283,823	243,137
Organic net sales growth (%)	13%	14%	14%	16%

Recurring revenue

Revenue of annual recurring nature is made up of support and maintenance revenues and subscription revenues.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Subscription revenue	39,858	33,233	150,995	122,620
Support agreements	10,676	11,020	43,396	44,565
Recurring revenue	50,534	44,253	194,391	167,185

Recurring revenue in relation to operating expenses

Revenues of annual recurring nature in relation to operating expenses. The measure is a key ratio for industry comparisons.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Recurring revenue	50,534	44,253	194,391	167,185
Operating expenses	-68,259	-65,848	-257,247	-238,219
Recurring revenue in relation to operating expenses	74%	67%	76%	70%

Earnings per share

Defined in accordance with IFRS.

Earnings per share, diluted

Defined in accordance with IFRS.

Operating margin, EBIT

Operating income in relation to net sales. To readers of financial reports, the measure is an indicator of a company's earning ability.

TSEK	Q4 2020	Q4 2019	Q1 - Q4 2020	Q1 - Q4 2019
Operating income	26,275	16,251	83,200	52,053
Net sales	93,059	81,786	338,689	289,696
Operating margin	28%	20%	25%	18%

Operating income, EBIT

Operating income according to the income statement.

About Lime Technologies

Our more than 280 staff members and over 70 000 users make us one of the largest CRM suppliers in the Nordic region.

With 30 years' experience in the industry, we can honestly say we know most things about CRM.

Our mission is to become the leading supplier of CRM systems in the Nordic region, by supplying systems that make our customers' work both easier and more fun.

In short – we turn companies into customer magnets.



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